STATE OF NORTH CAROLINA GUILFORD COUNTY	IN THE GENERAL COURT OF JUSTICE SUPERIOR COURT DIVISION 14 CVS _6767
MICHAEL WOODS, an individual; RAMONA WOODS, an individual; and BNT AD AGENCY, LLC.)
vs. CITY OF GREENSBORO, North Carolina, a municipality, and the following current and former members of the City Council in their official and individual capacities, TONY WILKINS, NANCY HOFFMAN, NANCY VAUGHN, ZACK MATHENY, MARIKAY ABUZUAITER, T. DIANNE BELLAMY-SMALL Defendants.))))

NOW COMES Ramona Woods ("Affiant") being of sound mind and body, over the age of eighteen (18) years old, having been duly sworn and deposed and sworn, hereby affirms and verifies as follows:

- I am a named individual Plaintiff in the above captioned action and a Manager of the Plaintiff limited liability company, BNT Ad Agency, LLC.
- 2. I have read the forgoing Complaint and have actual first-hand knowledge of the various facts and matters asserted and alleged therein.
- 3. All such facts and matters asserted and alleged in the Complaint against the various Defendants are true and accurate to the best of my knowledge, and those facts and matters alleged upon information and belief, are true and accurate to my knowledge.

Further Affiant sayeth not.

This the 18 day of June.

Ramona Woods, Affiant, individually and in the official capacity as Manager

of BNT Ad Agency, LLC.

STATE OF NORTH CAROLINA

COUNTY

Signed and sworn before me this <u>(8</u> day of June 2014.

My commission expires: 10/18/7014

MICHAEL A. JONES & ASSOCIATES, PLLC.

ATTORNEYS AT LAW

TELEPHONE: (919) 688-9882 FACSIMILE: (919) 688-5414

jonesmlaw@aol.com

100 EAST PARRISH STREET CHANCELLOR BUILDING, SUITE 450 DURHAM, NORTH CAROLINA 27701

2014 以下 27 門 3:34 TOLL FREE: (877) 688-9887 LICENSED IN NORTH AND SOUTH CAROLINA

August 27, 2014

Clerk of Superior Court **Guilford County Courthouse** 201 South Eugene Street Greensboro, North Carolina 27401

> RE: FILING OF VERIFICATION

Dear Clerk of Court:

If you would be so kind, please file the original of the enclosed Verification of Complaint and return the copy to me in the self-addressed stamped envelope.

With best regards,

NORTH CAROLINA	IN THE GENERAL COURT OF JUSTICE SUPERIOR COURT DIVISION
GUILFORD COUNTY 10 75 75 75 75 37 S.S.C.	14 CVS 6767
MICHAEL WOODS, an individual; RAMONA WOODS, an individual; and BNT AD AGENCY, LLC.	\
Plaintiffs,) v.)	
CITY OF GREENSBORO, North Carolina, a municipality, and the following current and former members of the City Council in their official and individual capacities, TONY WILKINS, NANCY HOFFMAN, NANCY VAUGHAN, ZACK MATHENY, MARIKAY ABUZUAITER, T. DIANNE BELLAMY-SMALL,	ACCEPTANCE OF SERVICE
Defendants.	

On behalf of Defendants Tony Wilkins, Nancy Hoffman, Mayor Nancy Vaughan, Zack Matheny, Marikay Abuzuaiter, and T. Dianne Bellamy-Small, all in their individual capacities, the undersigned counsel accepts service of the Amended Complaint and Civil Summons in the above-captioned action on the date of the signature below. The undersigned certifies that he has the authority to execute this Acceptance of Service on behalf of Defendants Tony Wilkins, Nancy Hoffman, Mayor Nancy Vaughan, Zack Matheny, Marikay Abuzuaiter, and T. Dianne Bellamy-Small, all in their individual capacities.

Alan W. Duncan

N.C. State Bar No. 8736

Stephen M. Russell, Jr.

N.C. State Bar. No. 35552

VAN LANINGHAM DUNCAN PLLC

300 N. Greene St., Suite 850

Greensboro, NC 27401

Telephone: 336-645-3320

Facsimile: 336-645-3330 aduncan@vldlitigation.com

srussell@vldlitigation.com

Counsel for Defendants Tony Wilkins, Nancy Hoffman, Mayor Nancy Vaughan, Zack Matheny, Marikay Abuzuaiter, and T. Dianne Bellamy-Small, all in their individual capacities

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing document was served by first class mail upon the following:

Tom Carruthers
Greensboro City Attorney's Office
P.O. Box 3136
Greensboro, NC 27402-3136
Attorney for the City of Greensboro and the current and former City Council members in their official capacities

Michael A. Jones Michael A. Jones & Assoc., PLLC 100 East Parrish St., Suite 450 Durham, NC 27707 Attorney for Plaintiffs

Willie E. Gary Gary, Williams, Parenti, Watson & Gary 2201 SE Osceola Street Stuart, FL 34994 Attorney for Plaintiffs

James Leonard Brown 5900 Wilshire Blvd., Suite 2645 Los Angeles, CA 90036 Attorney for Plaintiffs

This the 11th day of August, 2014.

Alon W. Duncar

MICHAEL A. JONES & ASSOCIATES PLLC.

ATTORNEYS AT LAW

TELEPHONE: (919) 688-9882 FACSIMILE: (919) 688-5414 jonesmlaw@aol.com 7011 100 EAST PARRISH STREET

CHANCELLOR BUILDING, SUITE 450
DURHAM, NORTH CAROLINA 27701 20., C.S.

TOLL FREE: (877) 688-9887 LICENSED IN NORTH AND SOUTH CAROLINA

August 20, 2014

Guilford County Clerk of Superior Court c/o Civil Filing Division 201 South Eugene Street Greensboro, North Carolina 27401

RE: FILING OF ACCEPTANCE OF SERVICE

Dear Clerk of Court:

If you would be so kind, please file the enclosed Acceptance of Service and return the copies to my attention in the self-addressed stamped envelope.

Thank you for your assistance in advance.

With best regards,

Michael A. Jones, Esq.

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STATE OF NORTH CAROLINA	IN THE GENERAL COURT OF	
GUILFORD COUNTY	2014 AUG AM MUZIGRIOR COURT DIVISI 14 CVS 6767 GUILFORD COUNTY, C.S.C.	ON ***6 2 0 200 OU 2
MICHAEL WOODS, an individual; RAMONA WOODS, an individual; and BNT AD AGENCY, LLC.	8Y <u>)</u> (M)	
Plaintif	fs,)	
vs.) AMENDED COMPLAIN	NT
CITY OF GREENSBORO, North Ca a municipality, and the following curr	• •	
former members of the City Council i	•	
official and individual capacities, TO WILKINS, NANCY HOFFMAN, NA	,	
VAUGHAN, ZACK MATHENY, M.	,	
ABUZUAITER, T. DIANNE BELLA	,	
SMALL)	
Defenda	ants.)	

NOW COMES Michael Woods, Ramona Woods and BNT Ad Agency, LLC. by and through counsel, and hereby alleges against the City of Greensboro, North Carolina, and current and former City Council members, jointly and severally, as follows:

PARTIES & JURISDICTION

- 1. Plaintiff Michael Woods is a citizen and resident of Guilford County, North Carolina and a member of BNT Ad Agency, LLC. at all relevant times complained of herein. (hereinafter referred to as "Plaintiff Michael Woods").
- 2. Plaintiff Ramona Woods is a citizen and resident of Guilford County, North Carolina and a member of BNT Ad Agency, LLC. at all relevant times complained of herein. (hereinafter referred to as "Plaintiff Ramona Woods").

- 3. BNT Ad Agency, LLC. is a duly incorporated North Carolina limited liability company, providing family oriented network television programming, having its principal place of business located in Greensboro, Guilford County, North Carolina at all material times complained of herein (hereinafter referred to as "Plaintiff BNT").
- 4. The City of Greensboro is a body corporate under the laws of the state of North Carolina and existing within the County of Guilford, North Carolina and is capable of prosecuting and defending suits for or against the corporation for purposes of N.C. Gen. Stat. §160A-11. Defendant Greensboro is a public body for purposes of the applicable sections of the North Carolina General Statutes (hereinafter referred to as "Defendant Greensboro" and "City of Greensboro").
- 5. At all material times herein, Defendant Greensboro was managed and operated by the City Council of Greensboro (hereinafter referred to as the "City Council"). And, each of the individual members comprising the City Council identified in Paragraphs 7 to 13 below, both current and former, are hereby sued in their official and individual capacities.
- 6. Upon information and belief, Defendant Greensboro has waived immunity to the extent that the same is a protection for those claims to which it is applicable by the purchase of insurance or reinsurance.
- 7. Defendant Tony Wilkins (hereinafter referred to as "**Defendant Wilkins**") upon information and belief is a citizen and resident of Guilford County, North Carolina and a current member of the City Council at all relevant times complained of herein.
- 8. Defendant Nancy Hoffman (hereinafter referred to as "Defendant Hoffman") upon information and belief is a citizen and resident of Guilford County, North Carolina and a current member of the City Council at all relevant times complained of herein.

- 9. Defendant Nancy Vaughan (hereinafter referred to as "Defendant Vaughan") upon information and belief is a citizen and resident of Guilford County, North Carolina and a current member of the City Council at all relevant times complained of herein.
- 10. Defendant Zack Matheny (hereinafter referred to as "**Defendant Matheny**") upon information and belief is a citizen and resident of Guilford County, North Carolina and a current member of the City Council at all relevant times complained of herein.
- Defendant Marikay Abuzuaiter (hereinafter referred to as "**Defendant Abuzuaiter**") upon information and belief is a citizen and resident of Guilford County, North Carolina and a current member of the City Council at all relevant times complained of herein.
- 12. Defendant T. Dianne Bellamy-Small (hereinafter referred to as "**Defendant Bellamy-Small**") upon information and belief is a citizen and resident of Guilford County, North Carolina and a former member of the City Council at all relevant times complained of herein.
- 13. At all relevant times herein, Defendant Wilkins, Defendant Hoffman, Defendant Vaughn,
 Defendant Matheny, Defendant Abuzuaiter, and Defendant Bellamy-Small, each of
 whom are sued in their individual and official capacities, were at all times acting under
 the color of State law, to wit, under color of the statutes, ordinances, regulations, policies
 customs, practices and usages of the State of North Carolina.

FACTUAL ALLEGATIONS

- 14. Paragraphs 1-13 of this Complaint are hereby fully realleged and reincorporated hereinafter.
- 15. Sometime in April 2013, Plaintiffs Michael and Ramona Woods, in their individual capacities and as managing members of Plaintiff BNT, discussed with various City of

Greensboro officials what a successful minority owned Greensboro-based television network would mean to the Greensboro community at-large in terms of job creation, skills and training in new industry, economic development and the potential of national and international exposure.

- 16. At the time of these discussions with City of Greensboro officials, Plaintiff BNT had already invested more than \$800,000.00 into the infrastructure, development and production of a situation comedy ("sitcom") known as Whatcha Cookin, scheduled for possible syndication for the upcoming 2014 television season upon completion of the final episodes.
- 17. Various members of the City of Greensboro's Economic and Business Development office concurred that Defendant Greensboro should support the Whatcha Cookin sitcom project.
- 18. Defendant Greensboro subsequently suggested and recommended that Plaintiff BNT submit an application for a loan and agreed to assist Plaintiff BNT in framing an application for a \$300,000.00 ten year, economic development loan for presentation to the City Council.
- 19. Upon the recommendation of Greensboro City officials, Plaintiff BNT invited the entire City Council to its studio to present the status of the economic development already in progress along with the Whatcha Cookin sitcom project, and to outline Plaintiff BNT's needs for additional funds to complete shooting the final episodes necessary for syndication of the Whatcha Cookin sitcom in time for the 2014 television season.
- 20. Defendant Greensboro's \$300,000.00 economic development loan to Plaintiff BNT was to be secured by Plaintiff Michael and Ramona Woods' personal residence located in

- Greensboro, North Carolina, which had more than enough equity to fully collateralize the loan.
- 21. The amount of equity in the Plaintiffs' residence was confirmed by a May 28, 2013 appraisal performed by LR Appraisals, Inc., who was chosen as the appraiser of choice by Defendant Greensboro. The appraisal confirmed a value of \$975,000.00, resulting in equity well over the \$300,000.00 loan, after consideration of all existing loans secured by the residence.
- 22. The \$300,000.00 loan to Plaintiff BNT was approved by Defendant Greensboro at the June 18, 2013 meeting of the Greensboro City Council by a 7 to 2 vote.
- 23. Plaintiff BNT had made it expressly clear to Defendant Greensboro that because of certain critical timing issues involved, time was of the essence in completing the remaining episodes and prompt funding and disbursement of the approved loan was critical.
- 24. Following the June 18, 2013 loan approval, and in reasonable reliance upon assurances by Defendant Greensboro that the funds would be forthcoming within a matter of a few days, Plaintiff BNT immediately made substantial financial commitments, including shooting five (5) more of the required thirteen (13) Whatcha Cookin episodes, and gave assurances to the industry that the sitcom project would be ready as scheduled.
- 25. Following the June 18, 2013 City Council vote, it was brought to the Plaintiffs' attention that the Resolution drafted would have to be amended to reflect that Defendant Greensboro's security interest would be a third-position lien rather than a second-position lien security interest.
- 26. Plaintiff BNT and the Plaintiffs Michael and Ramona Woods were informed that this

amendment was required because the Resolution initially drafted by the Greensboro City Attorney's office stated that the loan would be secured by a note and deed of trust with Defendant Greensboro's interest secured by "no more than a second lien" on the real property and improvements.

- 27. The Resolution was drafted, despite the fact that, prior to placing the loan on the June 18, 2013 agenda, Defendant Greensboro had full details regarding the amount and nature of the liens against the Plaintiffs' residence, including the fact that there was already a first and a second lien against the property.
- 28. Under the existing circumstance, Plaintiffs Michael and Ramona Woods and Plaintiff BNT, were under the reasonable impression and led to believe that the purpose of the special meeting by the City Council was perfunctory in nature and solely for the purpose of correcting language in the Resolution to state that the city of Greensboro's interest would be secured by "no less than a third (instead of a second) lien."
- 29. Notwithstanding all of the prior assurances made on June 18, 2013 and thereafter, Defendant Greensboro reneged on its loan approval at a July 16, 2013 City Council meeting, using as a pretext, that it was not willing to take a third-position security interest rather than a second-position security interest.

FIRST CAUSE OF ACTION VIOLATION OF 42 U.S.C. §§ 1981, 1983 OF THE EQUAL PROTECTION CLAUSES TO THE 14TH AMENDMENT TO THE U.S. CONSTITUTION & ARTICLE I, SEC. 19 OF THE NORTH CAROLINA CONSTITUTION

- 30. Paragraphs 1-29 of this Complaint are hereby fully realleged and reincorporated hereinafter.
- 31. At all material times to this action, Sections 1981 and 1983 of the Civil Rights Act of

- 1866 (42 U.S.C. Section 1981, and 1983) provide redress for violations of constitutionally guaranteed rights, including, without limitation, rights guaranteed under the Equal Protection Due Process Clause of the 14th Amendment.
- 32. Article I, Section 19 of the North Carolina Constitution states that: "No person shall be denied the equal protection of the laws; nor shall any person be subjected to discrimination by the State because of race, color, religion, or national origin."
- 33. Said constitutional and statutory provisions were in full force and effect during all times relevant to this action.
- 34. As a minority-owned limited liability company owned, that acquired an imputed racial identity as an African American company, Plaintiff BNT and Plaintiffs Michael and Ramona Woods, were within a protected class and entitled to the protections of the constitutional and statutory provisions alleged herein, including, without limitation, the equal protection clause of the 14 Amendment of the of the U.S. Constitution, the provisions of 42 U.S.C. §§ 1981 and 1983, and Article I, Section 19 of the N.C. Constitution.
- 35. Plaintiff BNT and Plaintiffs Michael and Ramona Woods were fully qualified to be awarded the loan for which it applied and indeed was initially approved.
- 36. Upon information and belief, the Defendants subsequently reneged upon and denied Plaintiffs' loan on an intentional discriminatory basis, while concocting the pretext that such loan was being denied due to a third-position security interest.
- 37. Plaintiff BNT and Plaintiffs Michael and Ramona Woods were treated differently from white citizens and non-minority owned businesses, as a matter of course, who have applied for and been approved through the same loan process evidenced as follows:

- (a) Defendants' refusal to amend the closing conditions to allow Defendant Greensboro to take a third, but fully secured, position (behind the Plaintiffs' first mortgage and equity line of credit) constituted a de facto revocation of the prior loan approval.
- (b) Because there was sufficient equity in the property to fully secure Greensboro's loan, irrespective of whether the City's equity position was ranked second or third, that rationale was a pretext for discriminating against Plaintiffs by revoking the loan, and was not a genuine, non-discriminatory good faith reason.
- (c) Upon information and belief, the City Council has approved prior loans for non African-American applicants where Defendant Greensboro's secured position was third. And in any event the Plaintiffs were not offered or afforded the chance to consolidate the first mortgage and the equity line of credit into one first lien, so that Defendant Greensboro's secured position "would be no less than a second," if that were truly a good faith concern.
- (d) Flowing the meeting, on July 18, 2013 Plaintiff BNT sent an email to Greensboro's City Attorney, Mike Williams requesting clarification, which stated (in part): "In reference to the amendment on July 16th set into motion by Councilman Matheny, am I correct in assuming that this motion that was passed means that the first approval from June 18th is still active and as long as the requirement of the city being in second position is met, the first resolution to grant us the loan still stands? Is this correct?" Neither Defendant Greensboro not City Council responded to the question.
- (e) At all material times pertinent hereto, and upon information and belief, over the past 24 to 36 months, the City Council has chosen to break their own rules, rewrite the

guidelines, or simply dismiss legal grounds altogether to support projects that are non-African American or Hispanic in nature.

- (f) The City Council in January 2013 created a new incentive program in order to give a local developer, Kotis Holdings, an \$850,000.00 loan. The loan was then guaranteed with a third lien position after principals tied a personal residence to the deal as collateral. This loan was approved months before Plaintiff BNT was awarded the \$300,000.00 loan which was then reneged upon after the City Council stated they could not take a third position lien on Plaintiffs' loan.
- In August 2013 Defendant Matheny brought to the table Gerbing, a Stoneville high tech manufacturing clothing company, which wanted to move its headquarters downtown. Gerbing planned to spend \$233,384.00 to outfit a new office and hire 25 people. Def.00endant Greensboro and City Council moved to draft a new incentive policy that would give Gerbing \$125,000.00 grant up front. City Council decided not to approve the policy change, but it still gave Gerbing the grant money. This is a clear example of Defendant Greensboro's and City Council's stance to continuously rewrite their own rules and change their guidelines to accommodate non African/Hispanic companies.
- (h) On or about November 2013 the City Council voted in favor of the Nussbaum Center for Entrepreneurship to convert a 20-year \$1,275,000.00 loan into a grant. Defendants cited the nonprofit business incubators' success at job creation as reason enough to allow it to default on not one, but two promissory notes it had made. This is the same company that defaulted on paying an initial \$75,000.00 no interest loan that was awarded by City Council in 2001. The Nussbaum Center for Entrepreneurship failed to

repay the first \$75,000.00 loan after 10 years. In addition it failed to pay the second loan of \$1,200,000.00. Despite defaulting on two loans, the City Council voted to convert both loans into a grant.

- (i) In April 2014, City Council awarded Self Help a \$2,000,000.00 forgivable loan to cover the \$450,000.00 purchase price and renovation of a building on Phillips Avenue. In the name of economic development, Defendant Greensboro and City Council discriminates by awarding free money to non-minorities to develop projects in African/Hispanic communities; however, neither loans nor grants are awarded to qualified African American/Hispanic applicants.
- (j) Defendant Greensboro and City Council attempted in 2014 to renege on a \$1.5 million dollar loan given to the International Civil Rights Museum after finding out that the documents on the loan were never signed and that Defendant Greensboro had already paid out \$750,000.00 of the loan. This oversight caused then City Attorney Mujeeb Shah-Khan to resign from his position. The Civil Rights Museum's interim Chairwoman, Deena Hayes stated that "there seems to be a higher standard that exist when it comes to how African American companies are treated in this city."
- (k) An opinion from an outside law firm and an attorney employed by Defendant Greensboro agreed that even though there was no contract signed, City Council agreed in good faith and the loan was valid and enforceable. It went on to say that City Council's vote which approved the loan was tantamount to a written agreement.
- (l) Mel's Pressure Washing, which was a city employee immediate relative's company, received \$450,000.00 in business over a 6 year period despite their not being

any contract on record or a bid approval for the work that was done. The City Council stated it planned an investigation of the matter.

- (m) Greensboro Parking Group, LLC., a company developing a for-profit downtown parking lot and restaurant in 2012 received nearly \$200,000.00 in low-interest loan money from Defendant Greensboro, despite repeatedly missing deadlines and benchmarks for progress. The project that was scheduled to be finished a year ago, is still not completed.
- (n) Under the contract, the first \$100,000.00 was to be invested in parking lot improvements, but the second \$100,000.00 was not to be released until all other improvements to the property were completed with private bank loans. The company got the deadline extended to December 31, 2013.
- (o) More than five (5) months past the extension the project is still not completed; nor have the full and part time positions promised materialized. Yet, Defendant Greensboro and the City Council still released the \$100,000.00 to a company that had already defaulted.
- (p) Based on the findings of a 2012 Disparity Study, Defendant Greensboro and the City Council has consistently treated minority and MWBE businesses unfairly over the past eight (8) years. Exhibit 4-8 on the Disparity Study shows of the \$92,402,811.00 that was spent between 2006 to 2010 less than \$199,000.00 was spent with African American firms. This pattern of behavior reflects a continued economic discrimination towards African American, women and Latin American companies. This Disparity Study statistically supports Plaintiffs' claim of unfair treatment, discrimination, and conspiracy to prevent equal opportunity to minorities.

38. Defendants, jointly and severally, have denied Plaintiff BNT and Plaintiffs Michael and Ramona Woods equal protection when, acting as a governmental entity, under the color of law, failed to follow prescribed procedures related to the awarding and then reneging of Plaintiffs' loan approval.

SECOND CAUSE OF ACTION VIOLATION OF 42 U.S.C. §1983 OF THE DUE PROCESS CLAUSE TO THE 14TH AMENDMENT TO THE U.S. CONSTITUTION

- 39. Paragraphs 1-38 of this Complaint are hereby fully realleged and reincorporated hereinafter.
- 40. Defendants while acting under color of law denied Plaintiff BNT and Plaintiffs Michael and Ramona Woods their right to due process and equal protection under the law.
- 41. While acting under color of law, the Defendants violated their own policies and procedures after having first approved the loan to Plaintiffs and then arbitrarily reneging on the loan due to solely and in substantial part to the Plaintiffs' protected status as a minorities and a minority-owned business.

THIRD CAUSE OF ACTION VIOLATION OF 42 U.S.C. §1986 BY NEGLIGENT FAILURE TO PREVENT CIVIL RIGHTS VIOLATIONS

- 42. Paragraphs 1-41 of this Complaint are hereby fully realleged and reincorporated hereinafter.
- 43. The Defendants, jointly and severally, negligently failed and refused to act so as to restrain the deprivation of Plaintiff BNT's and Plaintiff Michael and Ramona Woods' constitutional rights, including the right to be free from discrimination based upon race in the approval and subsequent reneging and refusal to follow through with the loan commitment made to Plaintiffs.

44. As a direct and proximate cause of the conduct of Defendants, and each of them, Plaintiff BNT and Plaintiffs Michael and Ramona Woods were deprived of their rights secured by law, including its 14th Amendment substantive due process rights and rights of equal protection, including its rights to freedom from race discrimination, despite having met all of the application qualification required by the Defendants.

FOURTH CAUSE OF ACTION BREACH OF CONTRACT

- 45. Paragraphs 1-44 of this Complaint are hereby fully realleged and reincorporated hereinafter.
- 46. Upon the submission of Plaintiffs' completed loan application, its subsequent review by Defendant Greensboro, and the 7 to 2 vote of the City Council approving the loan by the passage of a Resolution on June 18, 2013, a legally valid and enforceable mutual contract along with all attendant contractual obligations existed between the parties.
- 47. Defendant Greensboro breached the contract between the parties on July 16, 2013 by failing and expressly refusing to follow through with its contractual obligation to disburse loan proceeds to Plaintiff BNT as contemplated under the agreement between the parties.
- 48. As a result of Defendant Greensboro's and City Council's intentional breach of contract,

 Plaintiffs did suffer and continues to suffer financial and other economic harm, as all

 parties expressly understood that time was of the essence in performance under the

 contract.

FIFTH CAUSE OF ACTION CONSPIRACY

49. Paragraphs 1-48 of this Complaint are hereby fully realleged and reincorporated hereinafter.

- 50. Acting under color of law, and in their individual capacities, the Defendants, collectively and individually, did unlawfully conspire among themselves and agreed to engage in the acts set forth herein this Complaint.
- 51. The Defendants, acting under color of law, collectively and individually, did agree to unlawfully deny Plaintiffs' funding which had been previously approved, based solely and substantially upon all Plaintiffs' racial status and classification of being African American.
- 52. As a direct and proximate cause of unlawful conduct of the Defendants, acting under color of law, collectively and individually, all Plaintiffs were deprived of their rights and sustained damage as alleged herein.

SIXTH CAUSE OF ACTION UNFAIR &DECEPTIVE TRADE PRACTICES VIOLATION OF N.C. GEN. STAT. §75-1.1 ET. SEQ.

- Paragraphs 1-52 of this Complaint are hereby fully realleged and reincorporated hereinafter.
- 54. As pled with more specificity, Plaintiff BNT and Plaintiffs Michael and Ramona Woods, hereby asserts that, Defendant Greensboro and City Council did engage in prohibited business conduct that adversely affects commerce.
- 55. Sometime between April 2013 and June 2013, Plaintiffs commenced an application process for a \$300,000.00 loan from Defendant Greensboro. Having fully completed the application, obtained a residential appraisal, and complied with all other guidelines, Plaintiffs submitted the application for approval by Defendant Greensboro and city Council.
- 56. On or about June 18, 2013, after having reviewed Plaintiffs' loan application, Defendants

- approved the \$300,000.00 loan via Resolution, promised disbursement of the proceeds within mere days thereafter, and was fully aware that time was of the essence.
- 57. Subsequent to that time, on or about July 16, 2013, Defendants reneged on their commitment to follow through with its obligation to honor any part of its loan commitment.
- 58. Plaintiff BNT and Plaintiffs Michael and Ramona Woods reasonably relied upon, to their detriment, Defendant Greensboro's and city Council's assertions that they would extend such a loan to Plaintiffs and that they would disburse such funds immediately as they realized time was of the essence.
- 59. Plaintiffs were induced into completing the loan application and entering into other financial commitments to its detriment, based upon these initial representations made by Defendant Greensboro.
- 60. Defendant Greensboro did breach its contractual obligations with Plaintiffs based in substantial part due to racial discrimination and unlawful conspiracy during the loan process.
- 61. The current economic harm experienced by Plaintiffs is a direct and proximate cause of the unlawful, unfair and deceptive trade practices of Defendant Greensboro and City Council.

CLAIM FOR RELIEF

WHEREFORE, the Plaintiffs respectfully prays the Court:

1. For judgment against the Defendants, jointly and severally, for compensatory, incidental and consequential damages in an amount exceeding Twenty-Five Thousand Dollars (\$25,000.00);

- 2. For an award of all pre-judgment and post-judgment interest as allowed by law;
- 3. That treble damages be awarded to Plaintiffs against the Defendants, jointly and severally for violation of N.C. Gen. Stat. § 75-1.1;
- 4. That the costs of this action be taxed to the Defendants, including an award of attorneys' fees, as allowed by law;
- 5. For trial by jury on all justicable issues raised in this Complaint; and
- 6. For such other relief that the Court deems just and proper.

This the 11th day of August 2014.

Pro Hac Vice Motion To Be Submitted Willie E. Gary, Esq. Gary, Williams, Parenti, Watson & Gary 221 SE Osceola Street Stuart, Florida 34994 (772) 283-8260

Pro Hac Vice MotionTo Be Submitted

James Leonard Brown, Esq. A Professional Corporation 5900 Wilshire Boulevard, Suite 2645 Los Angeles, California 90036 (213) 251-2332

Michael A. Jones, Esq.
Michael A. Jones & Associates, PLLC.

Chancellor Building

100 East Parrish Street, Suite 450

Durham, North Carolina 27707

N.C. State Bar No 19099

(919) 688-9882

CERTIFICATE OF SERVICE

I hereby certify that a copy of this Summons & Amended Complaint was served on the Defendants via personal hand-delivery, addressed as follows:

I. Mr. Tom Carruthers, Interim City Attorney
 Greensboro City Attorney's Office
 300 West Washington Street
 Greensboro, North Carolina 27402-2320
 Attorney for the following Defendants in their Official Capacity

Mayor Nancy Vaughan City of Greensboro / Greensboro City Council 300 West Washington Street Greensboro, North Carolina 27401 (Defendant City of Greensboro / Greensboro City Council)

Mr. Tony Wilkins (Council Member) Post Office Box 3136 Greensboro, North Carolina 27402-3136

Ms. Nancy Vaughan (Council Member) 902 Sunset Drive Greensboro, North Carolina 27408

Ms. Nancy Hoffman (Council Member) 57 Folkestone Drive Greensboro, North Carolina 27403

Ms. Marikay Abuzuaiter (Council Member) 3601 Brassfield Oak Drive Greensboro, North Carolina 27410

Ms. T. Dianne Bellamy-Small (Council Member) 3211 Delmonte Drive Greensboro, North Carolina 27406

Mr. Zach Matheny (Council Member) Post Office Box 3136 Greensboro, North Carolina 27402-3136 II. Mr. Alan W. Duncan, Esq.300 North Green StreetGreensboro, North Carolina 27401Attorney for the following individual Defendants:

Mr. Tony Wilkins Post Office Box 3136 Greensboro, North Carolina 27402-3136

Ms. Nancy Vaughan 902 Sunset Drive Greensboro, North Carolina 27408

Ms. Nancy Hoffman 57 Folkestone Drive Greensboro, North Carolina 27403

Ms. Marikay Abuzuaiter 3601 Brassfield Oak Drive Greensboro, North Carolina 27410

Ms. T. Dianne Bellamy-Small 3211 Delmonte Drive Greensboro, North Carolina 27406

Mr. Zach Matheny Post Office Box 3136 Greensboro, North Carolina 27402-3136

This the 11th day of June 2014.

Michael A. Jones, Esq.

Chancellor Building

100 East Parrish Street, Suite 450 Durham, North Carolina 27707

N.C. State Bar No 19099

(919) 688-9882

STATE OF NORTH CAR	OLINA		File No.		14 CVS 6767
GUILFORD Co	unty			eneral Court O	
Name Of Plaintiff Michael Woods, Ramona Woods and Bl	NT Ad Agency, L.L.C.				
Address	<u> </u>		00.00		
City, State, Zip			CIVIL SUM		
City, Glato, Zip		ALIAS AN	ID PLURIES SUM	IMONS (ASS	ESS FEE)
VERSUS				G.S.	1A-1, Rules 3, 4
Name Of Defendant(s) City of Greensboro, Tony Wilkins, Nand Vaughan, Zach Matheny, Marikay Abuz Bellamy-Small	•	Date Original Summons Date(s) Subsequent Su	06-18-20)14	
To Each Of The Defendant(s) Nam	ed Below:				
Name And Address Of Defendant 1		Name And Address Of			
c/o Mr. Jim Westmoreland, Greensboro (City Manager	c/o Mayor Nancy	Vaughan		
City of Greensboro		1 -	o / Greensboro City	Council	
300 West Washington Street		300 West Washin	gton Street		
Greensboro	NC 27401	Greensboro		NC	27401
last known address, and 2. File the original of the written ans If you fail to answer the complaint, th	·		-		
Name And Address Of Plaintiff's Attorney (If None, Ad Mr. Michael A. Jones, Esq.	dress Of Plaintiff)	Date Issued	Time	1/1	MA
The Chancellor Building	NC Bar No. 19099	Signature //a	10:	19	PM
100 E. Parrish Street #450	(919) 688-9882	Jun 111,	14		
Durham	NC 27701	Deputy CSC	Assistant CSC	Clerk Of Su	perior Court
		1 •			
☐ ENDORSEMENT (ASSESS FEE	· · · · · · · · · · · · · · · · · · ·	Date Of Endorsement	Time		ПАМ
This Summons was originally iss		Diamakina			PM
indicated above and returned not	•	Signature			
of the plaintiff, the time within wh be served is extended sixty (60)		Deputy CSC	Assistant CSC	Clerk Of Su	perior Court
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NOTE TO PARTIES: Many counties have I less are heard by an so, what procedure is	arbitrator before a trial. The pa				
AOC-CV-100, Rev. 6/11 © 2011 Administrative Office of the Courts	(0)	ver)			

STATE OF NORTH CA	ROLINA	rile No.	14 CVS 676
GUILFORD	County		neral Court Of Justice Superior Court Division
Name Of Plaintiff	****		
Michael Woods, Ramona Woods an	d BNT Ad Agency, L.L.C.		
Address			MONO
City, State, Zip	······································	CIVIL SUM	_
ony, state, 2.p		ALIAS AND PLURIES SUM	IMONS (ASSESS FEE)
VERSU	IS	-	G.S. 1A-1, Rules 3, 4
Name Of Defendant(s)		Date Original Summons Issued	
City of Greensboro, Tony Wilkins, N Vaughan, Zach Matheny, Marikay A	buzuaiter . T. Dianne	Date(s) Subsequent Summons(es) Issued	14
Bellamy-Small			20 B
To Fook Of The Defendant			
To Each Of The Defendant(s) N Name And Address Of Defendant 1	iamed Below:		F 08 0 1
Name And Address Of Defendant 1		Name And Address Of Defendant 2	_ O GO
Mr. Tony Wilkins (City Council Mer	nber)	Mayor Nancy Vaughan (City Council 902 Sunset Drive	Membe E
Post Office Box 3136		902 Sunset Drive	WE 27401
Greensboro	NC 27402-3136	Greensboro	NC 27401
	t, the plaintiff will apply to th	perior Court of the county named above Court for the relief demanded in the	e complaint.
Mr. Michael A. Jones, Esq.	e, Address Of Flaming	Date Issued Time	AM ∏ PM
The Chancellor Building	NC Bar No. 19099	Signature Mc	
100 E. Parrish Street #450	(919) 688-9882 d	Jan 119	
Durham	NC 27701	Deputy CSC Assistant CSC	Clerk Of Superior Court
☐ ENDORSEMENT (ASSESS I This Summons was originally indicated above and returned of the plaintiff, the time within be served is extended sixty (6	issued on the date not served. At the request which this Summons must	Date Of Endorsement Signature Deputy CSC Assistant CSC	AM PM
less are heard by	r an arbitrator before a trial. The parte is to be followed.	I programs in which most cases where the amarties will be notified if this case is assigned fo	
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STATE OF NORTH CAROLINA	File No. 14 CVS 6767
GUILFORD County	in The General Court Of Justice ☐ District ☑ Superior Court Division
Name Of Plaintiff	
Michael Woods, Ramona Woods and BNT Ad Agency, L.L.C. Address	·
	CIVIL SUMMONS
City, State, Zip	☐ ALIAS AND PLURIES SUMMONS (ASSESS FEE)
VERSUS	G.S. 1A-1, Rules 3, 4
Name Of Defendant(s)	Date Original Summons Issued
City of Greensboro, Tony Wilkins, Nancy Hoffman, Nancy Vaughan, Zach Matheny, Marikay Abuzuaiter, T. Dianne Bellamy-Small	Date(s) Subsequent Summons(es) Issued
To Each Of The Defendant(s) Named Below:	
Name And Address Of Defendant 1	Name And Address Of Defendant 2
Mr. Tony Wilkins	Ms. Nancy Vaughan
Post Office Box 3136	902 Sunset Drive
Greensboro NC 27402-3136	Greensboro NC 27401
you have been served. You may serve your answer b last known address, and 2. File the original of the written answer with the Clerk of If you fail to answer the complaint, the plaintiff will apply to Name And Address Of Plaintiff's Attorney (If None, Address Of Plaintiff)	•
Mr. Michael A. Jones, Esq.	8/4/14 10:14 FIPM
The Chancellor Building NC Bar No. 19099	Signefule M (/
100 E. Parrish Street #450 (919) 688-9882	Jan 111/
Durham NC 27701	Deputy CSC Assistant CSC Clerk Of Superior Court
☐ ENDORSEMENT (ASSESS FEE) This Summons was originally issued on the date indicated above and returned not served. At the reque of the plaintiff, the time within which this Summons mu	
be served is extended sixty (60) days.	Deputy CSC Assistant CSC Clerk Of Superior Court
NOTE TO PARTIES: Many counties have MANDATORY ARBITRAT less are heard by an arbitrator before a trial. The so, what procedure is to be followed.	FION programs in which most cases where the amount in controversy is \$15,000 or the parties will be notified if this case is assigned for mandatory arbitration, and, if
AOC-CV-100, Rev. 6/11 © 2011 Administrative Office of the Courts	(Over)

STATE OF NORTH CAROLINA	File No.
·	14 CVS 6767
GUILFORD County	In The General Court Of Justice ☐ District ☑ Superior Court Division
Name Of Plaintiff	
Michael Woods, Ramona Woods and BNT Ad Agency, L. Address	L.C.
Autress	CIVIL SUMMONS
City, State, Zip	☐ ALIAS AND PLURIES SUMMONS (ASSESS FEE)
VERSUS Name Of Defendant(s)	G.S. 1A-1, Rules 3, 4 Date Original Summons Issued
City of Greensboro, Tony Wilkins, Nancy Hoffman, Nancy Vaughan, Zach Matheny, Marikay Abuzuaiter, T. Dianne Bellamy-Small	у 06-18-2014
To Each Of The Defendant(s) Named Below:	
Name And Address Of Defendant 1	Name And Address Of Defendant 2
Ms. Marikay Abuzuaiter	Ms. Nancy Hoffman
3601 Brassfield Oak Drive	57 Folkestone Drive
Greensboro NC 27410	Greensboro NC 27403
A Civil Action Has Been Commenced Against You	ıl.
You are notified to appear and answer the complaint	of the plaintiff as follows:
 Serve a copy of your written answer to the compla you have been served. You may serve your answ last known address, and File the original of the written answer with the Cler 	aint upon the plaintiff or plaintiff's attorney within thirty (30) days after ver by delivering a copy to the plaintiff or by mailing it to the plaintiff's rk of Superior Court of the county named above.
If you fail to answer the complaint, the plaintiff will app	ply to the Court for the relief demanded in the complaint.
Name And Address Of Plaintiff's Attorney (If None, Address Of Plaintiff) Mr. Michael A. Jones, Esq.	Date Issued Time X AM D' I PM
The Chancellor Building NC Bar No. 19	
100 E. Parrish Street #450 (919) 688-988	32 Am 1/1/4
Durham NC 27701	Deputy CSC Assistant CSC Clerk Of Superior Court
☐ ENDORSEMENT (ASSESS FEE)	Date Of Endorsement Time AM
This Summons was originally issued on the date	PM
indicated above and returned not served. At the re	
of the plaintiff, the time within which this Summon be served is extended sixty (60) days.	Deputy CSC Assistant CSC Clerk Of Superior Court
be served is exterioed sixty (60) days.	
NOTE TO BARTIES AND A CONTRACTOR OF THE STATE OF THE STAT	
	TRATION programs in which most cases where the amount in controversy is \$15,000 or al. The parties will be notified if this case is assigned for mandatory arbitration, and, if
AOC-CV-100, Rev. 6/11 © 2011 Administrative Office of the Courts	(Over)

Case 1:14-cv-00767-WO-LPA Document 1-1 Filed 09/08/14 Page 29 of 51

STATE OF NO	RTH CAROLINA	F	ile No.		14 CVS 6767
GUILFORI	County		In The Genera ☐ District 😿 Su	al Court Of	Justice
Name Of Plaintiff	- W I. DVT AIA - XX G				
Address	na Woods and BNT Ad Agency, L.L.C.	-			
		CIN	VIL SUMMO	ONS	
City, State, Zip		ALIAS AND PL			SS FEE)
	VEDOLIO			·	•
Name Of Defendant(s)	VERSUS	Date Original Summons Issued	,	G.S. 1	A-1, Rules 3, 4
	ny Wilkins, Nancy Hoffman, Nancy y, Marikay Abuzuaiter , T. Dianne	Date(s) Subsequent Summons(06-18-2014		
To Each Of The Defe	endant(s) Named Below:				
Name And Address Of Defenda	nt 1	Name And Address Of Defenda	nt 2		
Ms. Marikay Abuzuaiter	· (City Council Member)	Ms. Nancy Hoffman (C	ity Council Memb	er)	
3601 Brassfield Oak Dri	ve	57 Folkestone Drive			
Greensboro	NC 27410	Greensboro		NC	27403
you have been ser last known addres 2. File the original of	our written answer to the complaint upo rved. You may serve your answer by d s, and the written answer with the Clerk of Su ne complaint, the plaintiff will apply to th	elivering a copy to the pl	laintiff or by maili y named above.	ing it to the	days after plaintiff's
Name And Address Of Plaintiff's Mr. Michael A. Jones, E	Attorney (If None, Address Of Plaintiff)	Date Issued	Time 10.1 14		Ø AM
The Chancellor Building	•	Signaluje	10:14		PM_
100 E. Parrish Street #45		11/1	70		
Durham	NC 27701	Deputy CSC A	Assistant CSC	Clerk Of Supe	erior Court
		1/-			
C ENDODOSMENT	(400500 555)	Date Of Endorsement	Time		ПАМ
☐ ENDORSEMENT	(ASSESS FEE) as originally issued on the date				☐ PM
	nd returned not served. At the request	Signature			
•	time within which this Summons must				
be served is exter	nded sixty (60) days.	Deputy CSC A	ssistant CSC	Clerk Of Sup	erior Court
les	any counties have MANDATORY ARBITRATION as are heard by an arbitrator before a trial. The pa , what procedure is to be followed.				
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STATE OF NORTH CAROLINA			File No.		14 CVS 6767
GUILFORD County				neral Court (
Name Of Plaintiff	·. · · · ·	1	· · · · · · · · · · · · · · · · · · ·		
Michael Woods, Ramona Woods and BNT Ad Age	ency, L.L.C.				
7.137000			CIVIL SUM	MONS	
City, State, Zip	- · · · · · · · · · · · · · · · · · · ·	☐ ☐ ALIAS AN	ND PLURIES SUM		SESS FEE)
VERSUS		_		C (2 1A 1 Dulas 2 4
Name Of Defendant(s)		Date Original Summon	s Issued	G.c	S. 1A-1, Rules 3, 4
City of Greensboro, Tony Wilkins, Nancy Hoffmar Vaughan, Zach Matheny, Marikay Abuzuaiter, T. Bellamy-Small	Dianne .	Date(s) Subsequent Su	06-18-20 ummons(es) Issued	114	
To Each Of The Defendant(s) Named Below	/:	<u> </u>			
Name And Address Of Defendant 1	· · ·	Name And Address Of	Defendant 2		
Ms. T. Dianne Bellamy-Small		Mr. Zack Mathen	X/		
3211 Delmonte Drive		Post Office Box 3	•		
Greensboro NC 2	7406	Greensboro	7130	NC	27402-3136
	<u> </u>	Greenseere			27402-3130
A Civil Action Has Been Commenced Again You are notified to appear and answer the com					
 Serve a copy of your written answer to the cyou have been served. You may serve you last known address, and File the original of the written answer with the 	ır answer by d	elivering a copy to	the plaintiff or by i	mailing it to t)) days after he plaintiff's
If you fail to answer the complaint, the plaintiff	will apply to th	e Court for the reli	ef demanded in th	e complaint.	
Name And Address Of Plaintiff's Attorney (If None, Address Of Plain Mr. Michael A. Jones, Esq.	tiff)	Date Issued	Time	1/1	AM
	r No. 19099	Signature	m// 10.	19	
•	688-9882	Dm 11	11/2-	·	
Durham NC 2	•	Deputy CSC	Assistant CSC	Clerk Of S	Superior Court
			-		
☐ ENDORSEMENT (ASSESS FEE)		Date Of Endorsement	Time		AM
This Summons was originally issued on the		Signature	- <u></u>		PM
indicated above and returned not served. A	•	1 -			
of the plaintiff, the time within which this Su be served is extended sixty (60) days.	immons must	Deputy CSC	Assistant CSC	Clerk Of 5	Superior Court
NOTE TO PARTIES: Many counties have MANDATOR less are heard by an arbitrator bef so, what procedure is to be follower	ore a trial. The pa				
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Case 1:14-cv-00767-WO-LPA Document 1-1 Filed 09/08/14 Page 31 of 51

STATE OF NORTH CARO	LINA	······································	File No.		11.0270.0=0=
					14 CVS 6767
GUILFORD Cour	nty			neral Court (Superior C	Of Justice Court Division
Name Of Plaintiff		T			
Michael Woods, Ramona Woods and BNT	Ad Agency, L.L.C.				
Address			CIVIL SUM	MONS	
City, State, Zip		ALIAS AN	ND PLURIES SUM		SESS FEE)
				•	·
VERSUS Name Of Defendant(s)		Date Original Summons	s Issued	G.S	S. 1A-1, Rules 3, 4
City of Greensboro, Tony Wilkins, Nancy Vaughan, Zach Matheny, Marikay Abuzua Bellamy-Small	iter T Dianne	Date(s) Subsequent Su	06-18-20)14	
To Each Of The Defendant(s) Named	l Below:		· · · · · · · · · · · · · · · · · · ·		
Name And Address Of Defendant 1	·	Name And Address Of	Defendant 2		 -
Ms. T. Dianne Bellamy-Small (Former Cit	y Council Member)	1	y (City Council Me	ember)	
3211 Delmonte Drive		Post Office Box 3	136		
Greensboro	NC 27406	Greensboro		NC	27402-3136
A Civil Action Has Been Commence	d Against You!				
You are notified to appear and answer	the complaint of the p	laintiff as follows:			
 Serve a copy of your written answer you have been served. You may sel last known address, and File the original of the written answer. 	erve your answer by d	elivering a copy to	the plaintiff or by	mailing it to t	
If you fail to answer the complaint, the			,		
Name And Address Of Plaintiff's Attorney (If None, Addre Mr. Michael A. Jones, Esq.	ss Of Plaintiff)	Date Issued	Time	14	AM
The Chancellor Building	NC Bar No. 19099	Signature	mil.	/ 	☐ PM
100 E. Parrish Street #450	(919) 688-9882	Mrs- 11	Hav-	•	
Durham	NC 27701	Deputy CSC	Assistant CSC	Clerk Of :	Superior Court
Durnam	110 27/01 /	1/2, 7.7			
		Date Of Endorsement	Time		ПАМ
 ENDORSEMENT (ASSESS FEE) This Summons was originally issue 	d on the date				☐ PM
indicated above and returned not s		Signature			
of the plaintiff, the time within which					
be served is extended sixty (60) da	ys.	Deputy CSC	Assistant CSC	Clerk Of	Superior Court
NOTE TO PARTIES: Many counties have MA less are heard by an arb so, what procedure is to	itrator before a trial. The pa				•
AOC-CV-100, Rev. 6/11 © 2011 Administrative Office of the Courts	(0	ver)			

Guilford ounty Clerk of Superior Court

Payor Name: Words, MicVal (Party to Case)	14 CV5 G7 G7 FILE NUMBER
Payee Name: (Pd by: attorney, interested party	JONES, etc.)
Flag for VCAP YES	Flag for YCAP = NO
FILING FEES:	EUNG EUE:
(original/counterclaim/cross-claim)	☐ CDDC Divorce/Disp. Home \$ 225.00
CVSC Superior \$ 200.00	☐ CVDC Domestic : \$ 150.00
CVDC District \$ 150.00	
CVMC Small Claim \$ 96.00	
UDGINENT ABSTRACTING . JIVIT	MUSCELLANEOUS EEES:
☐ FULL ☐ PARTIAL	☐ MISC FILING FEE 21435 \$ (CLOL,LISP,LIENS)
☐ JUDGMENT 26115 \$	COPY (33 OR LESS) 21400 \$
☐ ARBITRATION (JA) M#S 26115 \$	☐ COPY (\$3 OR MORE). 21410.\$
MOTION NOTICE FEE 21450 \$	CONFESSION OF 21400 \$
A&PIENDORSEMENTS 21455 \$ 1	TRIALDENOVO 24310 S
☐ PRO HAC VICE 24626 \$ <u>25.00</u>	CIVIL BONDS 26210 3:
24625 \$ <u>200.00</u>	☐ RESUMPTION 21400 \$
BUSINESS COURT 21220 \$ 1000.00	OTHER ACCOUNT#
DATE:	TOTAL:
	\$5

STATE OF NORTH CAROLINA			IN THE GENERAL COURT OF JUSTICE
GUILFORD COUNTY	The state of		SUPERIOR COURT DIVISION 14 CVS 6767
MICHAEL WOODS, an individual; RAMONA WOODS, an individual; and BNT AD AGENCY, LLC,		TU	
Plaintiffs,	,))		
V. CITY OF GREENSBORO, NORTH Control of a municipality, and the following and former members of the City in their official and individual captony WILKINS, NANCY HOFFMAN NANCY VAUGHAN, ZACK MATHE MARIKAY ABUZUAITER, T. DIANN BELLAMY-SMALL,	current) Council) Dacities,) N,) NY,)		IDANT CITY OF GREENSBORO'S ACCEPTANCE OF SERVICE
Defendants.	,)		

The undersigned attorney for Defendant City of Greensboro, being duly sworn, states that Defendant City of Greensboro has granted him authority to accept service of process on behalf Defendant City of Greensboro (including current and former City Council members sued in their official capacities) in this pending matter. The undersigned acknowledges that he received and accepted the Civil Summons and Amended Complaint in this case on August 11, 2014. This Acceptance of Service is intended to have the same effect as would exist had process been served upon Defendant City of Greensboro and current and former City Council members sued in their official capacities according to Rule 4(j)(5)a of the N.C. Rules of Civil Procedure.

This the //Hulay of August 2014

By:

Tom Carruthers

N.C. State Bar No. 13447

Greensboro City Attorney's Office

Attorneys for Defendant City of Greensboro

P.O. Box 3136

Greensboro, NC 27402-3136

Phone: 336-373-2320 Fax: 336-373-2078

Email: tom.carruthers@greensboro-nc.gov

Sworn to and subscribed before me

this the \iint^h day of August 2014.

KAREN C. BAKER NOTARY PUBLIC BUILFORD COUNTY, NC My Commission Expires June 4, 2019

Notary Public

CERTIFICATE OF SERVICE

This is to certify that the undersigned has this date served Defendant City of Greensboro's Acceptance of Service via U.S. Mail upon the attorney for each party as follows:

Attorneys for Plaintiffs:

Willie Gary Gary, Williams, Parenti, Watson & Gary 221 SE Osceola Street Stuart, FL 34994 Phone: 772-283-8260

James Leonard Brown PC 5900 Wilshire Blvd., Ste. 2645 Los Angeles, CA 90036 Phone: 213-251-2332

Michael A. Jones N.C. State Bar No. 19099 Michael A. Jones & Associates, PLLC 100 East Parrish Street, Ste. 450 Durham, NC 27707 Attorney for Individual Defendants (in their individual capacities):

Alan Duncan Steve Russell Van Laningham Duncan PLLC 300 N. Greene Street, Ste. 850 Greensboro, NC 27401

This the ______ day of August 2014

By:

Tom Carruthers

N.C. State Bar No. 13447

Greensboro City Attorney's Office

Attorneys for Defendant City of Greensboro

P.O. Box 3136

Greensboro, NC 27402-3136

Phone: 336-373-2320

Fax: 336-373-2078

Email: tom.carruthers@greensboro-nc.gov

STATE OF NORTH CAROLI	MM			general S. S. Colon 1974 .			6767
GUILFORD Cou	inty			Harm S. H. San S.	ln ∃ ∐ Distri	The Ger ct ⊠ :	neral Court Of Justice Superior Court Division
Name And Address Of Plaintiff 1			2011	UN 18 AM 8:	19 05		
Michael Woods					 .	IERA	
			1411	DRG COUNT CIVI	L ACTION		
Name And Address Of Plaintiff 2				<i>1 / γ</i> —			BSEQUENT FILING or Superior and District Courts
Ramona Woods			BY_	Name And Address Of A	ttomey Or Party,	If Not Rep	resented (complete for initial
				Michael A. Jones, I	•		
VEDGUO				Michael A. Jones &		PLLC.	
VERSUS Name Of Defendant 1				100 E. Parrish Stree	et, Suite450		
City of Greensboro				Durham Telephone No.		10-4-1	NC 27701
c/o Mr. Jim Westmoreland, City Manager				919-688-9	9882	Cellular	Telephone No.
300 West Washington Street				NC Attorney Bar No.	Attorney E-M	ail Address	3
Greensboro Summons Submitted —	NC_	27401		19099			
Summons Submitted X Yes No				🗵 Initial Appeara	nce in Case		☐ Change of Address
Name Of Defendant 2 City of Greensboro / City Council				Name Of Firm			
c/o Mayor Nancy Vaughn				FAX No.			
300 West Washington Street					919-6	88-5 414	·
Greensboro	NC	27401		Counsel for	AII D. 6		
Summons Submitted XYes No		-		X All Plaintiffs	All Defendants	∐ Onl	y (list party(ies) represented)
X Jury Demanded In Pleading				Amount in control	versy does not	eveced ¢	15 000
Complex Litigation				Stipulate to arbitra		exceed w	13,000
		TYPE	OF P	LEADING			
(check all that apply)				(check all that apply)			<u>i and the Spirit and</u>
Amend (AMND)				Failure To State A	, ,		
Amended Answer/Reply (AMND-Response)						ding In N	on-IV-D Cases (OTHR)
Amended Complaint (AMND)				Improper Venue/E	` ,		
Assess Costs (COST)			j	Including Attorney	's Fees (ATTY)	•	
Answer/Reply (ANSW-Response) (see Note) Change Venue (CHVN)				Intervene (INTR)			
Somplaint (COMP)				Interplead (OTHR) Lack Of Jurisdiction			
Confession Of Judgment (CNJF)			- }	Lack Of Jurisdictio			A \
Consent Order (CONS)				Modification Of Ch			
Consolidate (CNSL)				☐ Notice Of Dismissa			
Contempt (CNTP)			ĺ	Petition To Sue As			(1025)
Continue (CNTN)			1	Rule 12 Motion In			
Compel (CMPL)			J	Sanctions (SANC)			
Counterclaim (CTCL) Assess Court Costs				Set Aside (OTHR)			
Crossclaim (list on back) (CRSS) Assess Court Co	sts		İ	Show Cause (SHC	W)		
Dismiss (DISM) Assess Court Costs Exempt/Waive Mediation (EXMD)			ĺ	Transfer (TRFR)			
Extend Statute Of Limitations, Rule 9 (ESOL)				☐ Vacate/Madife	aint (list Third F	arty Defe	ndants on back) (TPCL)
Extend Claude of Elimetrons, Rule 9 (ESOE) Extend Time For Complaint (EXCO)					-		
Failure To Join Necessary Party (FJNP)				Other (specify and	•	atelv)	
				() · y w			

Case 1:14-cv-00767-WO-LPA Document 1-1 Filed 09/08/14 Page 37 of 51

(Over)

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	grant E		
STATE OF NORTH CAROLINA	A SECTION AND A	IN THE GE	ENERAL COURT OF JUSTICE
GUILFORD COUNTY	2014 JUN 18	AH 8SUBER UNIY. C.S.S.	UOR COURT DIVISION 4 CVS 6767
MICHAEL WOODS, an individual; RAMONA WOODS, an individual; and BNT AD AGENCY, LLC.	8Y) /	4	
Plainti	ffs,		
vs.)		COMPLAINT
CITY OF GREENSBORO, North Ca a municipality, and the following cur former members of the City Council official and individual capacities, TO WILKINS, NANCY HOFFMAN, NA VAUGHN, ZACK MATHENY, MA ABUZUAITER, T. DIANNE BELLA SMALL	rent and) in their) NY) ANCY) RIKAY)		
Defend	ants.		

NOW COMES Michael Woods, Ramona Woods and BNT Ad Agency, LLC. by and through counsel, and hereby alleges against the City of Greensboro, North Carolina, and current and former City Council members, jointly and severally, as follows:

PARTIES & JURISDICTION

- 1. Plaintiff Michael Woods is a citizen and resident of Guilford County, North Carolina and a member of BNT Ad Agency, LLC. at all relevant times complained of herein. (hereinafter referred to as "Plaintiff Michael Woods").
- 2. Plaintiff Ramona Woods is a citizen and resident of Guilford County, North Carolina and a member of BNT Ad Agency, LLC. at all relevant times complained of herein. (hereinafter referred to as "Plaintiff Ramona Woods").

- 3. BNT Ad Agency, LLC. is a duly incorporated North Carolina limited liability company, providing family oriented network television programming, having its principal place of business located in Greensboro, Guilford County, North Carolina at all material times complained of herein (hereinafter referred to as "Plaintiff BNT").
- 4. The City of Greensboro is a body corporate under the laws of the state of North Carolina and existing within the County of Guilford, North Carolina and is capable of prosecuting and defending suits for or against the corporation for purposes of N.C. Gen. Stat. §160A-11. Defendant Greensboro is a public body for purposes of the applicable sections of the North Carolina General Statutes (hereinafter referred to as "Defendant Greensboro" and "City of Greensboro").
- 5. At all material times herein, Defendant Greensboro was managed and operated by the City Council of Greensboro (hereinafter referred to as the "City Council"). And, each of the individual members comprising the City Council identified in Paragraphs 7 to 13 below, both current and former, are hereby sued in their official and individual capacities.
- 6. Upon information and belief, Defendant Greensboro has waived immunity to the extent that the same is a protection for those claims to which it is applicable by the purchase of insurance or reinsurance.
- 7. Defendant Tony Wilkins (hereinafter referred to as "**Defendant Wilkins**") upon information and belief is a citizen and resident of Guilford County, North Carolina and a current member of the City Council at all relevant times complained of herein.
- 8. Defendant Nancy Hoffman (hereinafter referred to as "Defendant Hoffman") upon information and belief is a citizen and resident of Guilford County, North Carolina and a current member of the City Council at all relevant times complained of herein.

- 9. Defendant Nancy Vaughn (hereinafter referred to as "**Defendant Vaughn**") upon information and belief is a citizen and resident of Guilford County, North Carolina and a current member of the City Council at all relevant times complained of herein.
- 10. Defendant Zack Matheny (hereinafter referred to as "**Defendant Matheny**") upon information and belief is a citizen and resident of Guilford County, North Carolina and a current member of the City Council at all relevant times complained of herein.
- Defendant Marikay Abuzuaiter (hereinafter referred to as "**Defendant Abuzuaiter**") upon information and belief is a citizen and resident of Guilford County, North Carolina and a current member of the City Council at all relevant times complained of herein.
- 12. Defendant T. Dianne Bellamy-Small (hereinafter referred to as "Defendant Bellamy-Small") upon information and belief is a citizen and resident of Guilford County, North Carolina and a former member of the City Council at all relevant times complained of herein.
- 13. At all relevant times herein, Defendant Wilkins, Defendant Hoffman, Defendant Vaughn, Defendant Matheny, Defendant Abuzuaiter, and Defendant Bellamy-Small, each of whom are sued in their individual and official capacities, were at all times acting under the color of State law, to wit, under color of the statutes, ordinances, regulations, policies customs, practices and usages of the State of North Carolina.

FACTUAL ALLEGATIONS

- 14. Paragraphs 1-13 of this Complaint are hereby fully realleged and reincorporated hereinafter.
- 15. Sometime in April 2013, Plaintiffs Michael and Ramona Woods, in their individual capacities and as managing members of Plaintiff BNT, discussed with various City of

Greensboro officials what a successful minority owned Greensboro-based television network would mean to the Greensboro community at-large in terms of job creation, skills and training in new industry, economic development and the potential of national and international exposure.

- 16. At the time of these discussions with City of Greensboro officials, Plaintiff BNT had already invested more than \$800,000.00 into the infrastructure, development and production of a situation comedy ("sitcom") known as Whatcha Cookin, scheduled for possible syndication for the upcoming 2014 television season upon completion of the final episodes.
- 17. Various members of the City of Greensboro's Economic and Business Development office concurred that Defendant Greensboro should support the Whatcha Cookin sitcom project.
- 18. Defendant Greensboro subsequently suggested and recommended that Plaintiff BNT submit an application for a loan and agreed to assist Plaintiff BNT in framing an application for a \$300,000.00 ten year, economic development loan for presentation to the City Council.
- 19. Upon the recommendation of Greensboro City officials, Plaintiff BNT invited the entire City Council to its studio to present the status of the economic development already in progress along with the Whatcha Cookin sitcom project, and to outline Plaintiff BNT's needs for additional funds to complete shooting the final episodes necessary for syndication of the Whatcha Cookin sitcom in time for the 2014 television season.
- 20. Defendant Greensboro's \$300,000.00 economic development loan to Plaintiff BNT was to be secured by Plaintiff Michael and Ramona Woods' personal residence located in

- Greensboro, North Carolina, which had more than enough equity to fully collateralize the loan.
- 21. The amount of equity in the Plaintiffs' residence was confirmed by a May 28, 2013 appraisal performed by LR Appraisals, Inc., who was chosen as the appraiser of choice by Defendant Greensboro. The appraisal confirmed a value of \$975,000.00, resulting in equity well over the \$300,000.00 loan, after consideration of all existing loans secured by the residence.
- 22. The \$300,000.00 loan to Plaintiff BNT was approved by Defendant Greensboro at the June 18, 2013 meeting of the Greensboro City Council by a 7 to 2 vote.
- 23. Plaintiff BNT had made it expressly clear to Defendant Greensboro that because of certain critical timing issues involved, time was of the essence in completing the remaining episodes and prompt funding and disbursement of the approved loan was critical.
- 24. Following the June 18, 2013 loan approval, and in reasonable reliance upon assurances by Defendant Greensboro that the funds would be forthcoming within a matter of a few days, Plaintiff BNT immediately made substantial financial commitments, including shooting five (5) more of the required thirteen (13) Whatcha Cookin episodes, and gave assurances to the industry that the sitcom project would be ready as scheduled.
- 25. Following the June 18, 2013 City Council vote, it was brought to the Plaintiffs' attention that the Resolution drafted would have to be amended to reflect that Defendant Greensboro's security interest would be a third-position lien rather than a second-position lien security interest.
- 26. Plaintiff BNT and the Plaintiffs Michael and Ramona Woods were informed that this

amendment was required because the Resolution initially drafted by the Greensboro City Attorney's office stated that the loan would be secured by a note and deed of trust with Defendant Greensboro's interest secured by "no more than a second lien" on the real property and improvements.

- 27. The Resolution was drafted, despite the fact that, prior to placing the loan on the June 18, 2013 agenda, Defendant Greensboro had full details regarding the amount and nature of the liens against the Plaintiffs' residence, including the fact that there was already a first and a second lien against the property.
- 28. Under the existing circumstance, Plaintiffs Michael and Ramona Woods and Plaintiff BNT, were under the reasonable impression and led to believe that the purpose of the special meeting by the City Council was perfunctory in nature and solely for the purpose of correcting language in the Resolution to state that the city of Greensboro's interest would be secured by "no less than a third (instead of a second) lien."
- 29. Notwithstanding all of the prior assurances made on June 18, 2013 and thereafter, Defendant Greensboro reneged on its loan approval at a July 16, 2013 City Council meeting, using as a pretext, that it was not willing to take a third-position security interest rather than a second-position security interest.

FIRST CAUSE OF ACTION VIOLATION OF 42 U.S.C. §§ 1981, 1983 OF THE EQUAL PROTECTION CLAUSES TO THE 14TH AMENDMENT TO THE U.S. CONSTITUTION & ARTICLE I, SEC. 19 OF THE NORTH CAROLINA CONSTITUTION

- 30. Paragraphs 1-29 of this Complaint are hereby fully realleged and reincorporated hereinafter.
- 31. At all material times to this action, Sections 1981 and 1983 of the Civil Rights Act of

- 1866 (42 U.S.C. Section 1981, and 1983) provide redress for violations of constitutionally guaranteed rights, including, without limitation, rights guaranteed under the Equal Protection Due Process Clause of the 14th Amendment.
- 32. Article I, Section 19 of the North Carolina Constitution states that: "No person shall be denied the equal protection of the laws; nor shall any person be subjected to discrimination by the State because of race, color, religion, or national origin."
- 33. Said constitutional and statutory provisions were in full force and effect during all times relevant to this action.
- 34. As a minority-owned limited liability company owned, that acquired an imputed racial identity as an African American company, Plaintiff BNT and Plaintiffs Michael and Ramona Woods, were within a protected class and entitled to the protections of the constitutional and statutory provisions alleged herein, including, without limitation, the equal protection clause of the 14 Amendment of the of the U.S. Constitution, the provisions of 42 U.S.C. §§ 1981 and 1983, and Article I, Section 19 of the N.C. Constitution.
- 35. Plaintiff BNT and Plaintiffs Michael and Ramona Woods were fully qualified to be awarded the loan for which it applied and indeed was initially approved.
- 36. Upon information and belief, the Defendants subsequently reneged upon and denied Plaintiffs' loan on an intentional discriminatory basis, while concocting the pretext that such loan was being denied due to a third-position security interest.
- 37. Plaintiff BNT and Plaintiffs Michael and Ramona Woods were treated differently from white citizens and non-minority owned businesses, as a matter of course, who have applied for and been approved through the same loan process evidenced as follows:

- (a) Defendants' refusal to amend the closing conditions to allow Defendant Greensboro to take a third, but fully secured, position (behind the Plaintiffs' first mortgage and equity line of credit) constituted a de facto revocation of the prior loan approval.
- (b) Because there was sufficient equity in the property to fully secure Greensboro's loan, irrespective of whether the City's equity position was ranked second or third, that rationale was a pretext for discriminating against Plaintiffs by revoking the loan, and was not a genuine, non-discriminatory good faith reason.
- (c) Upon information and belief, the City Council has approved prior loans for non African-American applicants where Defendant Greensboro's secured position was third. And in any event the Plaintiffs were not offered or afforded the chance to consolidate the first mortgage and the equity line of credit into one first lien, so that Defendant Greensboro's secured position "would be no less than a second," if that were truly a good faith concern.
- (d) Following the meeting, on July 18, 2013 Plaintiff BNT sent an email to Greensboro's City Attorney, Mike Williams requesting clarification, which stated (in part): "In reference to the amendment on July 16th set into motion by Councilman Matheny, am I correct in assuming that this motion that was passed means that the first approval from June 18th is still active and as long as the requirement of the city being in second position is met, the first resolution to grant us the loan still stands? Is this correct?" Neither Defendant Greensboro not City Council responded to the question.
- (e) At all material times pertinent hereto, and upon information and belief, over the past 24 to 36 months, the City Council has chosen to break their own rules, rewrite the

guidelines, or simply dismiss legal grounds altogether to support projects that are non-African American or Hispanic in nature.

- (f) The City Council in January 2013 created a new incentive program in order to give a local developer, Kotis Holdings, an \$850,000.00 loan. The loan was then guaranteed with a third lien position after principals tied a personal residence to the deal as collateral. This loan was approved months before Plaintiff BNT was awarded the \$300,000.00 loan which was then reneged upon after the City Council stated they could not take a third position lien on Plaintiffs' loan.
- (g) In August 2013 Defendant Matheny brought to the table Gerbing, a Stoneville high tech manufacturing clothing company, which wanted to move its headquarters downtown. Gerbing planned to spend \$233,384.00 to outfit a new office and hire 25 people. Defendant Greensboro and City Council moved to draft a new incentive policy that would give Gerbing \$125,000.00 grant up front. City Council decided not to approve the policy change, but it still gave Gerbing the grant money. This is a clear example of Defendant Greensboro's and City Council's stance to continuously rewrite their own rules and change their guidelines to accommodate non African/Hispanic companies.
- (h) On or about November 2013 the City Council voted in favor of the Nussbaum Center for Entrepreneurship to convert a 20-year \$1,275,000.00 loan into a grant. Defendants cited the nonprofit business incubators' success at job creation as reason enough to allow it to default on not one, but two promissory notes it had made. This is the same company that defaulted on paying an initial \$75,000.00 no interest loan that was awarded by City Council in 2001. The Nussbaum Center for Entrepreneurship failed to

- approved the \$300,000.00 loan via Resolution, promised disbursement of the proceeds within mere days thereafter, and was fully aware that time was of the essence.
- 57. Subsequent to that time, on or about July 16, 2013, Defendants reneged on their commitment to follow through with its obligation to honor any part of its loan commitment.
- Plaintiff BNT and Plaintiffs Michael and Ramona Woods reasonably relied upon, to their detriment, Defendant Greensboro's and city Council's assertions that they would extend such a loan to Plaintiffs and that they would disburse such funds immediately as they realized time was of the essence.
- 59. Plaintiffs were induced into completing the loan application and entering into other financial commitments to its detriment, based upon these initial representations made by Defendant Greensboro.
- 60. Defendant Greensboro did breach its contractual obligations with Plaintiffs based in substantial part due to racial discrimination and unlawful conspiracy during the loan process.
- 61. The current economic harm experienced by Plaintiffs is a direct and proximate cause of the unlawful, unfair and deceptive trade practices of Defendant Greensboro and City Council.

CLAIM FOR RELIEF

WHEREFORE, the Plaintiffs respectfully prays the Court:

1. For judgment against the Defendants, jointly and severally, for compensatory, incidental and consequential damages in an amount exceeding Twenty-Five Thousand Dollars (\$25,000.00);

- 2. For an award of all pre-judgment and post-judgment interest as allowed by law;
- 3. That treble damages be awarded to Plaintiffs against the Defendants, jointly and severally for violation of N.C. Gen. Stat. § 75-1.1;
- 4. That the costs of this action be taxed to the Defendants, including an award of attorneys' fees, as allowed by law;
- 5. For trial by jury on all justicable issues raised in this Complaint; and
- 6. For such other relief that the Court deems just and proper.

This the 18th day of June 2014.

Pro Hac Vice Motion To Be Submitted Willie E. Gary, Esq. Gary, Williams, Parenti, Watson & Gary 221 SE Osceola Street Stuart, Florida 34994 (772) 283-8260

Pro Hac Vice MotionTo Be Submitted James Leonard Brown, Esq. A Professional Corporation 5900 Wilshire Boulevard, Suite 2645 Los Angeles, California 90036

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(919) 688-9882

CERTIFICATE OF SERVICE

I hereby certify that a copy of this Summons & Complaint was served on the Defendants (i) via first class United States Mail, postage prepaid, certified return receipt delivery, addressed as follows:

Mr. Jim Westmoreland, City Manager City of Greensboro 300 West Washington Street Greensboro, North Carolina 27401 (Defendant City of Greensboro / Greensboro City Council)

Mayor Nancy Vaughn City of Greensboro / Greensboro City Council 300 West Washington Street Greensboro, North Carolina 27401 (Defendant City of Greensboro / Greensboro City Council)

Mr. Tony Wilkins Post Office Box 3136 Greensboro, North Carolina 27402-3136

Ms. Nancy Vaughn 902 Sunset Drive Greensboro, North Carolina 27408

Ms. Nancy Hoffman 57 Folkestone Drive Greensboro, North Carolina 27403

Ms. Marikay Abuzuaiter 3601 Brassfield Oak Drive Greensboro, North Carolina 27410

Ms. T. Dianne Bellamy-Small 3211 Delmonte Drive Greensboro, North Carolina 27406 Mr. Zach Matheny Post Office Box 3136 Greensboro, North Carolina 27402-3136

This the 18th day of June 2014.

Michael A. Jones, Esq. Chancellor Building

100 East Parrish Street, Suite 450 Durham, North Carolina 27707

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